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About IATP

Institute for Agriculture and Trade Policy works locally and globally at the intersection of policy and practice to ensure fair and sustainable food, farm and trade systems. IATP is headquartered in Minneapolis, Minnesota with an office in Geneva.

Biomass Crop Assistance Program needs clarification, improvement, says IATP

MINNEAPOLIS – The Biomass Crop Assistance Program (BCAP) must undergo significant revision before the program's next phase is launched, said the Institute for Agriculture and Trade Policy (IATP) in comments submitted on April 8 to the USDA Farm Service Agency (FSA).

BCAP, a 2008 Farm Bill program, was created to help farmers grow and sell new biomass crops for renewable energy. But the FSA's implementation of the program has come under widespread criticism for straying far from the program's original intent. The FSA began the initial phase of the program before setting clear rules for qualifying grants, and before it had completed a full environmental impact statement as required under the National Environmental Policy Act (NEPA). As a result, nearly all of the more than \$164 million in funding that has been awarded so far has gone to the forest paper and products industries to burn lower-value wood for their own energy needs. But as most of these users were already buying or using biomass for pre-existing energy purposes, BCAP support does not seem to be contributing in any substantial way to new renewable energy production or new supplies of biomass.

"Done right, BCAP could go a long way toward helping farmers transition to growing perennial biomass crops and increasing renewable energy production," said Jim Kleinschmit, IATP Rural Communities Program Director. "But so far, it appears neither farmers nor energy consumers have seen much benefit from the millions of dollars already spent on this program."

The FSA is expected to finalize rules for BCAP implementation later this year. IATP's recommendations for improving BCAP include:

- Modifying the current collection, harvest, storage and transportation phase of the program to stop matching payments for woody, agricultural and herbaceous resources and waste materials unless they were sourced within a BCAP project area and used for new energy production.
- Establishing a competitive ranking process for the selection of BCAP funded projects, giving priority to soil, water, climate and wildlife protection as well as to local ownership opportunities and beginning and socially disadvantaged farmers.

- Prioritizing perennial and dedicated energy crops by making residues of annual crops or forests, and food and animal wastes, ineligible for BCAP payments.
- Prohibiting genetically modified biomass crops or irrigation in BCAP contract acres.
- Clearly ruling out conversion of forests, wetlands, prairies or any natural ecosystems to biomass crops.

“There’s still time to right the ship on BCAP,” said IATP Senior Associate Julia Olmstead. “The best place to start is to revisit the original intent of the program, and take seriously the numerous constructive comments submitted on how to improve the program.”

IATP’s full comment to the FSA can be viewed at www.iatp.org. The BCAP comment period closed April 9. The USDA will announce a final rule later this year.

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